

House Study Bill 237 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
WAYS AND MEANS BILL BY
CHAIRPERSON SANDS)

A BILL FOR

1 An Act extending the period for determining the rates of the
2 motor fuel tax based on calculating the distribution of
3 ethanol blended gasoline and other motor fuel, and including
4 effective date provisions.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 452A.3, subsection 1, unnumbered
2 paragraph 1, Code 2013, is amended to read as follows:

3 Except as otherwise provided in this section and in this
4 division, until June 30, ~~2013~~ 2014, this subsection shall apply
5 to the excise tax imposed on each gallon of motor fuel used for
6 any purpose for the privilege of operating motor vehicles in
7 this state.

8 Sec. 2. Section 452A.3, subsection 1A, Code 2013, is amended
9 to read as follows:

10 1A. Except as otherwise provided in this section and in this
11 division, after June 30, ~~2013~~ 2014, an excise tax of twenty
12 cents is imposed on each gallon of motor fuel used for any
13 purpose for the privilege of operating motor vehicles in this
14 state.

15 Sec. 3. EFFECTIVE UPON ENACTMENT. This Act, being deemed of
16 immediate importance, takes effect upon enactment.

17 EXPLANATION

18 Currently, an excise tax is imposed on each gallon of motor
19 fuel (generally gasoline) sold in the state (Code section
20 452A.3). The general tax rate is 20 cents per gallon, but
21 subject to adjustment each 12-month period, based on a formula
22 which produces a paired rate system for ethanol blended
23 gasoline and other motor fuel. The last date of the paired
24 rate system is June 30, 2013. After that date, the tax rate is
25 uniformly imposed at 20 cents for each gallon of motor fuel.

26 This bill extends the paired rate system for another year
27 with its last date being June 30, 2014.

28 The bill takes effect upon enactment.